

October 15, 2021

Members of the House Committee on Commerce and Tourism Regarding HB 4077

Dear Representative,

The Michigan Petroleum Association and the Michigan Association of Convenience Stores (MPA/MACS) represents Michigan's petroleum wholesalers and retailers and have members in every county of the State. We employ about 15,000 people statewide at most of the State's 4,800 gas station convenience stores. As an essential business, we provide your fuel to travel whether it is for work or play.

We are writing to you today to once again state that we oppose HB 4077, the unsafe fueling bill. We did not ask for this bill, do not support its passage, and clearly believe it is bad public policy.

Please consider:

- 1. HB 4077 would allow any gas station, anywhere and at any time in Michigan to leave dispensers turned on for customers. We believe this bill is unsafe and does not have enough protections to adequately protect the motoring public.
- 2. We take fire code regulations very seriously in our industry. In Michigan we have about 1 million customer transactions a day. With that many transactions, sadly accidents can and do happen at gas stations.
- 3. There are about 5,000 gas station fires annually nationwide according to the National Fire Prevention Association (NFPA). This results in two deaths per year. Safety concerns about fires causing deaths and property damage should be enough to stop this bill.
- 4. About 500 times a year a customer in Michigan drives off from the fuel dispenser with the nozzle still in their car. With an attendant on site we can ensure there is no damage to the customer, the station, or the environment. HB 4077 eliminates this safeguard.
- 5. With a \$125 limit on a fuel purchase, this would allow about 60 gallons of fuel to be spilled before the system shuts off. That much fuel getting into a river or a sewer could be dramatic.

- 6. Please remember that unattended fueling is currently allowed under the current regulations, if people follow the rules and make the right investment in equipment, processes, and safety. This bill allows people to operate a system cheaply, in an unsafe manner, risking lives and property.
- 7. This bill is unfair to those locations that have made a financial investment to comply with existing regulations to sell fuel in an unattended fashion. This will result in stranded assets for these operators as unsafe competitors flood the marketplace.
- 8. It is important to note that we do not believe that in the long run any of the locations choosing to go unattended will sell more gasoline or diesel fuel than they do today, nor will it lower the price of gasoline. Anyone who thinks that is naïve at best and ignores simple economics.
- 9. This bill will likely also cost people their jobs. Many big box stores have a single attendant and those jobs could be lost almost immediately. Other gas stations will then scramble to compete with the resulting market disruption, and more jobs could be lost as well.
- 10. Attendants perform many useful services beside just putting out fires and stopping the motoring public from harm. They also are on the frontline in combating skimming attacks, fraudulent credit card use, trafficking and providing general security and cleanliness at the location. All these important safeguards would not be in place if HB 4077 became law. In fact, we can think of no better refuge for a lost teenager in minus 30-degree temperatures than a clean, warm, well-lit attended convenience store with available food, drink, and fuel.
- 11. It is ironic that this bill makes the case to put the public at risk at a time when we are all working so hard to try and save lives. The bill will put further strain on first responders and the State Bureau of Fire Services at this time. Many areas of the State have no professional fire departments able to readily respond. The Bureau of Fire Services will not be able to visit all the potential applicants in the time frame allowed in the bill.
- 12. When life returns to normal, we will not be selling more fuel with unattended fueling. And there is little doubt that it will not result in lower gas prices. In fact, prices may go up as we would be sacrificing the most profitable part of our business, our in-store sales.

This bill will put people at risk in ways they are not at risk today. In the final analysis HB 4077 does not make sense.

Cordially,

Mark A. Griffin

President

Michigan Petroleum Association

Michigan Association of Convenience Stores